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[HF 572](#) – Workforce Development Board Membership and Eligibility (LSB1321HV)  
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Fiscal Note Version – Representative Running-Marquardt

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### **Description**

[House File 572](#) relates to employment services programs administered by the Department of Workforce Development (IWD) by changing the membership requirements and duties of the Iowa Workforce Development Board. The Board is expanded by 21 members, including voting and nonvoting members.

The Bill authorizes the IWD to utilize currently appropriated moneys to carry out unemployment insurance systems modernization in a new manner.

### **Background**

The 2016 Legislature enacted [SF 2313](#) (Workforce Development Act). The Act provided for the following:

- Authorized the IWD to join a consortium with the states of Idaho and Vermont for the modification of the Idaho Unemployment Benefit Payment Software System to pay unemployment insurance benefits by the State of Iowa.
- Provided for the expenditure of \$5.9 million in federal funds by the IWD to be used for modifying the Idaho Unemployment Insurance Software System to pay unemployment insurance benefits by the State and for the acquisition of programming, software, and equipment required to provide an administrative and payment system for the Iowa Unemployment Insurance Program.

### **Assumptions**

- Per diem is set at \$50 per meeting.
- Mileage reimbursement is 53.5 cents per mile.
- The average mileage reimbursement will be 100 miles.
- Twenty-one additional Board members will require and request per diem and mileage reimbursement.
- While the number of meeting days is not known since the Board can meet at the call of the chairperson or a majority of the Board voting members, the new Board is estimated to have approximately the same number of meetings as the current Board had in calendar year 2016 (seven).
- There are no contracts or agreements in place for the purchase of an unemployment insurance system modernization for Iowa.

### **Fiscal Impact**

- The Bill will increase General Fund expenses of the Board for per diem and mileage reimbursement by approximately \$2,000 per meeting and \$14,000 annually.
- The Bill redirects federal funds totaling \$5.9 million that had been authorized for the purpose of joining a consortium with the states of Idaho and Vermont for the purpose of modifying the Idaho Unemployment Benefit Payment Software System so that it could be used to pay unemployment insurance benefits by the State of Iowa. The Bill strikes the joining of the consortium requirement and permits the IWD to use the moneys for unemployment insurance system modernization. Since there are no contracts or agreements in place for

the unemployment insurance system modernization, the actual expenses for the modernization could be higher or lower than the \$5.9 million that is authorized in the Bill.

**Source**

Iowa Workforce Development Department

/s/ Holly M. Lyons

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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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